IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

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§ Civil Action No. 2:13-cv-655
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§ Jury Trial Demanded
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PLAINTIFF'S RESPONSE TO DEFENDANT AMERICAN AIRLINES, INC'S COUNTERCLAIMS

Plaintiff Loyalty Conversion Systems Corporation ("Plaintiff" or "Loyalty Conversion"), by and through its attorneys, files the following Response to Defendant American Airlines, Inc.'s ("Defendant" or "American") Answer to Loyalty Conversion's Original Complaint ("the Counterclaims"), as follows:

PLAINTIFF'S RESPONSE TO COUNTERCLAIMS JURISDICTION

- 1. Admitted.
- 2. Admitted.
- 3. Admitted.

PARTIES

- 4. Upon information and belief, admitted.
- 5. Admitted.
- 6. Admitted that Loyalty Conversion is asserting infringement of the patents-in-suit against American; denied as to the remainder of the paragraph.

BACKGROUND

- 7. Admitted.
- 8. Admitted that American has denied Loyalty Conversion's claims of infringement; denied as to the accuracy of such a denial.
 - 9. Admitted

COUNT I: DECLARATION OF NON-INFRINGEMENT

- 10. No new factual allegations are included in this paragraph.
- 11. Admitted.
- 12. Denied.
- 13. Admitted that American seeks such a declaration; denied that such a declaration is meritorious.

COUNT II: DECLARATION OF PATENT INVALIDITY

- 14. No new factual allegations are included in this paragraph.
- 15. Denied.
- 16. Admitted that American seeks such a declaration; denied that such a declaration is meritorious.

ANSWER TO AMERICAN'S PRAYER FOR RELIEF

Plaintiff denies that American Airlines, Inc. is entitled to any of the relief requested in its Counterclaims.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, Loyalty Conversion Systems Corporation, requests that

Defendant, American Airlines, Inc., take nothing against Plaintiff by reason of its Counterclaims against Plaintiff, that Plaintiff be awarded the relief sought in its Complaint, that the Court dismiss Defendant's Counterclaims against Plaintiff in their entirety with prejudice, that Plaintiff be awarded its costs of suit, including attorneys' fees, and that the Court grant such other and further relief as it deems just and proper.

Dated: November 7, 2013

By: /s/ Adam G. Price

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CERTIFICATE OF SERVICE

The undersigned certifies that on this 7th day of November, 2013, all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document through the Court's CM/ECF system under Local Rule CV-5(a)(3).

/s/ Adam G. Price Adam G. Price